

INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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COUNTRY	North Korea	REPORT	
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This is UNEVALUATED Information

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SOURCE EVALUATIONS ARE DEFINITIVE APPRAISAL OF CONTENT IS TENTATIVE

1. In January 1955, the Machinery and Materials Administration in P'yongyang had moved from the area in front of the P'yongyang Railroad Station to another site at YD378241, about two kilometers north of the West P'yongyang Railroad Station. The move was necessary because there had been insufficient office and working space. The Administration in January 1955 was housed in five buildings with annexes.
2. The main functions of the Machinery and Materials Administration were stockpiling, warehousing, and custodial responsibilities. All stockpiled materials were to be used for North Korean reconstruction. The main materials stockpiled were:
 - a. Standardized lumber, procured from Musan Lumber Mill.
 - b. Plate glass, made in North Korea.
 - c. Railroad rails, made in China.
 - d. Galvanized iron, made in China.
 - e. Oil, heavy and light.
 - f. Gasoline.
 - g. Machinery of various types.
 - h. Carpentry tools.
 - i. Nails of various sizes.
 - j. Papers and roll paper.
 - k. Cement.
 - l. Lime.

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STATE	EX	X	ARMY	X	NAVY	X	AIR	X	FBI	X	AFS	X	ORR	X
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- m. Trucks, made in Czechoslovakia.
 - n. Medical supplies, made in Hungary.¹
 - o. Passenger cars, made in Russia.
 - p. Lead pipes.
3. Supplies and materials were shipped to the warehouse area on a railroad siding; most of the incoming and outgoing materials were crated to prevent unauthorized observation of the contents.² YI Yong-kwon (2621/7893/2938), chief of the Third Warehouse, states that in January 1955 the quantity of daily shipments decreased; about 25 truckloads of cargo were stockpiled daily. YI further stated that in the future there would be more cutbacks in stockpiling.³ Cement and standardized timber⁴ accounted for approximately 40 percent of the incoming materials.
 4. YI Yong-kwon said that invoices and bills-of-lading were received from the national government. When these documents were received, the respective warehouses charged with the incoming materials dispatched trucks to collect the shipment; materials were then stored according to type. All materials in the custody of the Machinery and Materials Administration were registered in a ledger file; a current inventory was kept on each item stockpiled.
 5. Materials were requisitioned by the national government only. When a requisition was received by the Administration, an issue slip was sent to the chief of the warehouse concerned. The warehouse chief issued the requested materials when he received a copy of the government requisition. At the beginning of each quarter year, issue slips were prepared against which supplies could be drawn during that period of time; but emergency requisitions could be filled. The chief of each warehouse kept a file of all documents received and was responsible for its safekeeping. A general inventory was made by an inspector from another agency at the end of each quarter year.⁵
 6. The Machinery and Materials Administration was divided into the following operating sections: Labor, General Affairs, Planning, Shipping, Custody, Paymaster, and Control. About 350 people were employed; about 20 were clerks, 35 were warehouse-keepers, 50 worked in the Shipping Section, 20 worked in the Custody Section, and 50 were guards. Guards stood watch at each warehouse in pairs; regular mounted patrols covered the entire compound.⁶ Employees received a daily food ration of 600 grams and were paid about 1,100 to 1,200 won monthly. Employees' dormitories charged about 45 won per month.

Comments

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1. YI Yong-kwon, chief of the Third Warehouse, said that medical supplies were kept for two months only.
2. Twenty to twenty-five Russian-made trucks of 1 to 2-1/2 ton capacity were seen being loaded with outgoing shipments of all kinds of materials.
3. According to rumor, incoming foreign shipments would be decreased severely in the future.

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4. Comment. [redacted] standardized timber used in the reconstruction of the Hungnam Fertilizer Factory had to be 25 to 40 centimeters in diameter and four meters long.

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Comments

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5. One inspection party was made up of three men who carried documents and about 20 men who counted the goods being inventoried.
6. YI Yong-kwŏn said that materials valued at 700,000 wŏn were missing from the warehouses during the period from October to December 1954. All warehouse chiefs were closely checked; the case was still under investigation in January 1955.

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